



FEDERAL DEPOSIT INSURANCE CORPORATION

Agency Information Collection Activities: Submission for OMB Review; Comment Request (3064-0200)

AGENCY: Federal Deposit Insurance Corporation (FDIC).

ACTION: 30-day notice and request for comment.

SUMMARY: The Federal Deposit Insurance Corporation (FDIC) will submit the following information collection request to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995. The proposed information collection was previously published in the *Federal Register* on August 10, 2021, allowing for a 60-day comment period.

DATES: Comments are encouraged and will be accepted for an additional 30 days until [INSERT DATE 30 DAYS AFTER PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES: Interested parties are invited to submit written comments to the FDIC by any of the following methods:

- <https://www.FDIC.gov/regulations/laws/federal>.
- *Email:* comments@fdic.gov. Include the name and number of the collection in the subject line of the message.
- *Mail:* Manny Cabeza (202-898-3767), Regulatory Counsel, MB-3128, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.
- *Hand Delivery:* Comments may be hand-delivered to the guard station at the rear of the 17th Street Building (located on F Street), on business days between 7:00 a.m. and 5:00 p.m.

Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to www.reginfo.gov/public/do/PRAMain. Find this particular information collection by selecting "Currently under 30-day Review - Open for Public Comments" or by using the search function.

FOR FURTHER INFORMATION CONTACT: Manny Cabeza, Regulatory Counsel, 202-898-3767, mcabeza@fdic.gov, MB-3128, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.

SUPPLEMENTARY INFORMATION:

Proposal to renew the following currently approved collection of information:

1. Title: Joint Standards for Assessing Diversity Policies and Practices.

OMB Number: 3064-00200.

Form Number: 2710/05 – Diversity Self-Assessment (paper form)
2710/06 – Diversity Self-Assessment (electronic form).

Affected Public: Insured state nonmember banks, and insured state savings associations.

Burden Estimate: FDIC is revising the burden estimates associated with this information collection as a result of the update of the electronic version of the reporting form. The update will allow respondents who have previously completed a diversity self-assessment (DSA) to copy and clone their previous submission. This copy/clone capability reduces the reporting burden for returning respondents. However, it does not change the burden for respondents who fill out the electronic form for the first time or respondents who choose an alternative method of assessing their diversity policies and practices. As such, this ICR revises the IC line items to distinguish between the *implementation burden*

incurred by first time respondents from the *ongoing burden* incurred by returning respondents. This ICR also updates the respondent count estimates for the other line items in this IC. Finally, this ICR adds a line to cover the burdens of non-material (not responsive) submissions.

In October 2020, the FDIC implemented a copy/clone feature in FID-SA for submissions covering the 2020 reporting period and beyond. This feature allows the respondent to pre-populate a new diversity self-assessment with the information that was previously completed and submitted. In addition, the FDIC Office of Minority and Women Inclusion (OMWI) have identified several submissions that complete the pro forma form but do not provide the FDIC with any material self-assessments. With the addition of these two submission types, there are now five distinct submission types for this IC:

1. Paper Form Submissions, which are DSA submissions that use the “Diversity Self-Assessment of Financial Institutions Regulated by the FDIC” form and submit the form as an email attachment or via the United States Postal Service;
2. Electronic Form (Implementation) Submissions, which are DSA submissions that utilize the online FID-SA application, and the financial institution has not previously submitted a DSA;
3. Electronic Form (Ongoing) Submissions, which are DSA submissions that utilize the online FID-SA application and are able to use the copy/clone feature in FID-SA;
4. Free-Form Submissions, which are submissions that do not use the “Diversity Self-Assessment of Financial Institutions Regulated by the FDIC” form; and
5. Non-material Submissions, which are pro forma submissions that do not provide any material self-assessments.

Estimated Number of Respondents and Responses

Responses to this information collection are voluntary and may be submitted by any FDIC-regulated financial institution. As such, potential respondents to this IC are all FDIC-regulated financial institutions. As of December 31, 2020, the FDIC regulates 3,227 insured depository institutions (IDIs). Of these institutions, 2,380 are considered small for the purposes of the Regulatory Flexibility Act (RFA). Respondents submit a single response per year. To estimate the number of respondents for this ICR, FDIC reviewed and summarized data from historical submissions by FDIC-regulated IDIs covering diversity activities in the reporting periods 2016-2019. Submissions were categorized as a first-time submission if no prior submission was made by the same IDI. Otherwise, the submission was categorized as a repeat submission. FDIC did not categorize 2016 submissions since 2016 was the first year for which the agency has submission data. A summary of these results is provided in Table 1 below:

Table 1. OMWI Submission Counts, by Submission Type and Reporting Period				
Submission Type	2016	2017	2018	2019
All submissions*	95	137	133	152
All submissions, small IDIs**	17	26	26	33
First-time submissions		81	42	38
First-time submissions, small IDIs**		18	13	16
Repeat submissions		56	91	113
Repeat submissions, small IDIs**		8	13	17
Source: FDIC OMWI * These counts include two financial institutions (CERTs 20399 in 2016 and 29845 in 2019) that were later found to not be regulated by the FDIC during their respective reporting periods. We include them here to align the table with other OMWI published analyses (available at https://www.fdic.gov/about/diversity/analysisdsda.html). ** IDIs are counted as small if they meet the SBA's definition of "small" for purposes of RFA as of December 31 st in each reporting period.				

As Table 1 shows, there were 152 total submissions in 2019, the most recent reporting year. This is an increase of approximately 20 submissions from the previous year. This increase is due to the introduction of the online FID-SA

application and an expanded outreach effort by the FDIC to educate and increase awareness about the DSA. The FDIC expects that submission counts will continue to climb upwards due to continued expanded outreach efforts as well as the introduction of the copy/clone feature to facilitate responses. Based on the historical submission counts and the expected rise in submissions, the FDIC expects it will receive 195 submissions per year with the majority of these submissions using the online FID-SA application. Based on the historical trends of first-time and repeating submissions future expectations, the FDIC anticipates annual respondent counts of 45 Electronic Form (Implementation) and 130 Electronic Form (Ongoing) submissions.¹ In addition, the FDIC anticipates annual counts of five Free-Form Submissions and ten Non-material Submissions.² Finally, FDIC recognizes that some IDIs may prefer to continue providing Paper Submissions and anticipate five such submissions per year.

Estimated Hourly Burden

The FDIC estimates that Electronic Form (Implementation) Submissions will take seven hours, the same burden that was recorded in the *Electronic Form* line item in the 2020 ICR. For Electronic Form (Ongoing) Submissions, the FDIC estimates that the copy/clone feature will save respondents an average of four hours per submission, for a net burden of three hours per response. For Non-material Submissions, the FDIC estimates that the pro forma completion of the submission application will take six minutes, or 0.1 hours. The FDIC has

¹ Steady state averages of 25 percent for Electronic Form (Implementation) and 75 percent for Electronic Form (Ongoing) submissions were estimated from historical submissions by FDIC-regulated IDIs covering diversity activities in 2019, the first reporting period for which the online submission was available, and multiplied by 175, the anticipated number of annual Electronic Form submissions, to arrive at estimates of 45 Electronic Form (Implementation) and 130 Electronic Form (Ongoing) submissions. For the purposes of annualizing the estimated number of respondents, it is assumed that the estimated annual count of respondents for Electronic Form (Ongoing) Submissions includes returning Electronic Form (Implementation) Submissions from the previous year.

² The FDIC found 0, 0, and 4 Free-Form submissions and 3, 3, and 12 Non-material submissions in 2017, 2018, and 2019, respectively. Based on these historical numbers and their supervisory experience, the FDIC anticipates approximately 5 Free-Form and 10 Non-material Submissions going forward.

reviewed the hourly burden estimates for Paper Submissions and for Free-Form Submissions and found that the estimates from the 2020 ICR remain reasonable and appropriate. Finally, the FDIC estimates that each respondent will incur one hour of burden per year, on average, to disclose a portion of its submission to the public, in a manner reflective of the entity's size and other characteristics.

The estimated annual burden for each submission type, in hours, is the product of the estimated number of respondents, number of responses per respondent per year, and time per response, as summarized in Table 2 below. The total estimated annual burden for this information collection is 100, 106 hours, a reduction of 559 hours from the previously approved ICR.³

Table 2. Summary of Estimated Annual Burden (OMB No. 3064-0006)						
Information Collection Description – Submission Type	Type of Burden (Obligation to Respond)	Frequency of Response	Number of Respondents	Number of Responses per Respondent	Hours per Response	Annual Burden (Hours)
Joint Standards for Assessing Diversity Policies and Practices – <i>Paper Form</i>	Reporting (Voluntary)	Annual	5	1	8	40
Joint Standards for Assessing Diversity Policies and Practices – <i>Electronic Form (Implementation)</i>	Reporting (Voluntary)	Annual	45	1	7	315
Joint Standards for Assessing Diversity Policies and Practices – <i>Electronic Form (Ongoing)</i>	Reporting (Voluntary)	Annual	130	1	3	390
Joint Standards for Assessing Diversity Policies and Practices – <i>Free-Form</i>	Reporting (Voluntary)	Annual	5	1	12	60
Joint Standards for Assessing Diversity Policies and Practices – <i>Non-material</i>	Reporting (Voluntary)	Annual	10	1	0.1	1

³ The average burden hour estimate across all submission types is 4 hours and 8 minutes per response.

Joint Standards for Assessing Diversity Policies and Practices – <i>Public Disclosure</i>	Disclosure (Voluntary)	Annual	195	1	1	195
Total Annual Burden (Hours):						1,001
Source: FDIC.						

General Description of Collection:

Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the Act) required the Office of the Comptroller of the Currency (OCC), Board of Governors of the Federal Reserve System (Board), Federal Deposit Insurance Corporation (FDIC), Bureau of Consumer Financial Protection (CFPB), National Credit Union Administration (NCUA), and Securities and Exchange Commission (SEC) (together, Agencies and separately, Agency) each to establish an Office of Minority and Women Inclusion (OMWI) to be responsible for all matters of the Agency relating to diversity in management, employment, and business activities. The Act also instructed each OMWI Director to develop standards for assessing the diversity policies and practices of entities regulated by the Agency. The Agencies worked together to develop joint standards and, on June 10, 2015, they jointly published in the Federal Register⁴ the “Final Interagency Policy Statement Establishing Joint Standards for Assessing the Diversity Policies and Practices of Entities Regulated by the Agencies” (Policy Statement).

The Policy Statement contains a “collection of information” within the meaning of the Paperwork Reduction Act of 1995 (PRA). The Policy Statement includes Joint Standards that cover “Practices to Promote Transparency of Organizational Diversity and Inclusion.” These Joint Standards contemplate that a regulated

⁴ 80 FR 33016.

entity is transparent about its diversity and inclusion activities by making certain information available to the public annually on its Web site or through other appropriate communications methods, in a manner reflective of the entity's size and other characteristics. The specific information referenced in these standards is: (a) leadership commitment to diversity and inclusion; (b) workforce diversity and employment practices; (c) progress toward achieving diversity and inclusion in its procurement activities; and (d) opportunities available at the entity that promote diversity.

In addition, the Policy Statement includes Joint Standards that address "Entities' Self-Assessment." The Joint Standards for Entities' Self-Assessment envision that a regulated entity, in a manner reflective of its size and other characteristics, (a) conducts annually a voluntary self-assessment of its diversity policies and practices; (b) monitors and evaluates its performance under its diversity policies and practices on an ongoing basis; (c) provides information pertaining to its self-assessment to the OMWI Director of its primary federal financial regulator; and (d) publishes information pertaining to its efforts with respect to the Joint Standards.

The collection of information described above is reported to the FDIC via the form entitled "Diversity Self-Assessment of Financial Institutions Regulated by the FDIC," which can be submitted in paper⁵ or electronic format⁶. To facilitate DSA submissions, the FDIC has developed the automated Financial Institution

⁵ The paper version of the "Diversity Self-Assessment of Financial Institutions Regulated by the FDIC" form (form number 2710/05) can be viewed at the following location:
<https://www.fdic.gov/resources/regulations/federal-register-publications/2021/2021-form-2710-05-diversity-self-assessment-paper-form.pdf>

⁶ The electronic version of the "Diversity Self-Assessment of Financial Institutions Regulated by the FDIC" form (form number 2710/06) can be viewed at the following location:
<https://www.fdic.gov/resources/regulations/federal-register-publications/2021/2021-form-2710-06-diversity-self-assessment-screen-shots.docx>

Diversity Self-Assessment (FID-SA) application. FID-SA provides FDIC-regulated financial institutions an easy and efficient way to electronically complete the diversity self-assessment; work with multiple users; view previous submissions; attach supporting material; and print and save in pdf format.⁷

Request for Comment

Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the FDIC's functions, including whether the information has practical utility; (b) the accuracy of the estimates of the burden of the information collection, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. All comments will become a matter of public record.

Federal Deposit Insurance Corporation.
Dated at Washington, DC, on November 9, 2021.

James P. Sheesley,
Assistant Executive Secretary.

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⁷ As described in the FID-SA portal, available at <https://www.fdic.gov/about/diversity/fidsaportal.html> (accessed May 1, 2021).

